

**Introduced by Senator DeSaulnier  
(Coauthor: Senator Beall)**

January 23, 2014

---

An act to amend Section 44125 of the Health and Safety Code, relating to vehicular air pollution.

LEGISLATIVE COUNSEL'S DIGEST

SB 913, as introduced, DeSaulnier. Vehicular air pollution: vehicle retirement.

Existing law creates an enhanced fleet modernization program for the retirement of high polluting vehicles to be administered by the Bureau of Automotive Repair in the Department of Consumer Affairs pursuant to guidelines adopted by the State Air Resources Board. Existing law requires the department to pay a person who retires his or her vehicle \$1,500 for a low-income motor vehicle owner, as defined, and \$1,000 for all other motor vehicle owners, and authorizes additional payments above these amounts based on consideration of specified criteria.

Under existing law, the Bureau of Automotive Repair establishes the Consumer Assistance Program to provide incentives for low-income motor vehicle owners to retire a qualified vehicle.

This bill would require the guidelines adopted by the state board to additionally include specific goals for retirement and replacement of passenger vehicles and light- and medium-duty trucks that are high polluters. The bill would require the state board and the bureau to cooperate in the issuance of a specified number of replacement vouchers through the Enhanced Fleet Modernization Program for specified fiscal years and a specified number of retirement vouchers through the Consumer Assistance Program and the Enhanced Fleet Modernization

Program for specified fiscal years. The bill would state the intent of the Legislature regarding the funding of these activities.

Vote: majority. Appropriation: no. Fiscal committee: yes.

State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 44125 of the Health and Safety Code is  
2 amended to read:

3 44125. (a) No later than July 1, 2009, the state board, in  
4 consultation with the bureau, shall adopt a program to commence  
5 on January 1, 2010, that allows for the voluntary retirement of  
6 passenger vehicles and light-duty and medium-duty trucks that are  
7 high polluters. The program shall be administered by the bureau  
8 pursuant to guidelines adopted by the state board.

9 (b) No later than June 30, 2015, the state board, in consultation  
10 with the bureau, shall update the program established pursuant to  
11 subdivision (a). The program shall continue to be administered by  
12 the bureau pursuant to guidelines updated and adopted by the state  
13 board.

14 (c) The guidelines shall ensure all of the following:

15 (1) Vehicles retired pursuant to the program are permanently  
16 removed from operation and retired at a dismantler under contract  
17 with the bureau.

18 (2) Districts retain their authority to administer vehicle  
19 retirement programs otherwise authorized under law.

20 (3) The program is available for high polluting passenger  
21 vehicles and light-duty and medium-duty trucks that have been  
22 continuously registered in California for two years prior to  
23 acceptance into the program or otherwise proven to have been  
24 driven primarily in California for the last two years and have not  
25 been registered in another state or country in the last two years.  
26 The guidelines may require a vehicle to take, complete, or pass a  
27 smog check inspection.

28 (4) The program is focused where the greatest air quality impact  
29 can be identified.

30 (5) (A) Compensation for retired vehicles shall be at least one  
31 thousand five hundred dollars (\$1,500) for a low-income motor  
32 vehicle owner, as defined in Section 44062.1, and no more than  
33 one thousand dollars (\$1,000) for all other motor vehicle owners.

1 (B) Replacement may be an option for all motor vehicle owners  
2 and may be in addition to compensation for vehicles retired  
3 pursuant to subparagraph (A). For low-income motor vehicle  
4 owners, as defined in Section 44062.1, compensation shall be no  
5 less than two thousand five hundred dollars (\$2,500).  
6 Compensation for all other motor vehicle owners ~~may~~ *shall* not  
7 exceed compensation for low-income motor vehicle owners.

8 (C) Compensation for either retired or replacement vehicles for  
9 low-income motor vehicle owners may be increased as necessary  
10 to maximize the air quality benefits of the program while also  
11 ensuring participation by low-income motor vehicle owners, as  
12 defined in Section 44062.1. Increases in compensation amounts  
13 may be based on factors, including, but not limited to, the age of  
14 the retired or replaced vehicle, the emissions benefits of the retired  
15 or replaced vehicle, the emissions impact of any replacement  
16 vehicle, participation by low-income motor vehicle owners, as  
17 defined in Section 44062.1, and the location of the vehicle in an  
18 area of the state with the poorest air quality.

19 (6) Cost-effectiveness and impacts on disadvantaged and  
20 low-income populations are considered. Program eligibility may  
21 be limited on the basis of income to ensure the program adequately  
22 serves persons of low or moderate income.

23 (7) Provisions that coordinate the vehicle retirement and  
24 replacement components of the program with the vehicle retirement  
25 component of the bureau's Consumer Assistance Program,  
26 established pursuant to other provisions of this chapter, to ensure  
27 vehicle owners participate in the appropriate program to maximize  
28 emissions reductions.

29 (8) Streamlined administration to simplify participation while  
30 protecting the accountability of moneys spent.

31 (9) Specific steps to ensure the vehicle replacement component  
32 of the program is available in areas designated as federal extreme  
33 nonattainment.

34 (10) A requirement that vehicles eligible for retirement have  
35 sufficient remaining life. Demonstration of sufficient remaining  
36 life may include proof of current registration, passing a recent  
37 smog check inspection, or passing another test similar to a smog  
38 check inspection.

39 (d) (1) *In addition to subdivision (c), the guidelines shall include*  
40 *all of the following:*

1     (A) *Specific goals for retirement and replacement of passenger*  
2 *vehicles and light-duty and medium-duty trucks that are high*  
3 *polluters.*

4     (B) *A requirement that the state board and the bureau cooperate*  
5 *in issuing the following:*

6     (i) *Not less than 15,000 retirement vouchers through the*  
7 *Consumer Assistance Program for the 2014–15 fiscal year.*

8     (ii) *Not less than 20,000 retirement vouchers through the*  
9 *Consumer Assistance Program for the 2015–16 fiscal year.*

10     (iii) *Not less than 25,000 retirement vouchers through the*  
11 *Enhanced Fleet Modernization Program for the 2014–15 fiscal*  
12 *year.*

13     (iv) *Not less than 28,000 retirement vouchers through the*  
14 *Enhanced Fleet Modernization Program for the 2015–16 fiscal*  
15 *year.*

16     (C) *A requirement that the state board issue, through the*  
17 *Enhanced Fleet Modernization Program, not less than 1,000*  
18 *replacement vouchers for the 2014–15 fiscal year and not less*  
19 *than 2,000 replacement vouchers for the 2015–16 fiscal year.*

20     (2) (A) *It is the intent of the Legislature that the activities*  
21 *undertaken pursuant to paragraph (1) be funded by the Enhanced*  
22 *Fleet Modernization Subaccount, the High Polluter Repair or*  
23 *Removal Account, and the Vehicle Inspection and Repair Fund.*

24     (B) *It is the intent of the Legislature that if moneys in the*  
25 *subaccount, account, and fund specified in subparagraph (A) are*  
26 *not sufficient to fully fund the activities undertaken pursuant to*  
27 *paragraph (1), any and all outstanding loans to the General Fund*  
28 *from the subaccount, account, and fund be repaid to fund those*  
29 *activities.*

30     ~~(d)~~

31     (e) *When updating the guidelines to the program established*  
32 *pursuant to subdivision (a), the state board shall study and consider*  
33 *all the following elements:*

34     (1) *Methods of financial assistance other than vouchers.*

35     (2) *An option for automobile dealerships or other used car sellers*  
36 *to accept cars for retirement, provided the cars are dismantled*  
37 *consistent with the requirements of the program.*

38     (3) *An incentive structure with varied incentive amounts to*  
39 *maximize program participation and cost-effective emissions*  
40 *reductions.*

- 1     (4) Increased emphasis on the replacement of high polluters  
2     with cleaner vehicles or the increased use of public transit that  
3     results in the increased utilization of the vehicle replacement  
4     component of the program.
- 5     (5) Increased emphasis on the reduction of greenhouse gas  
6     emissions through increased vehicle efficiency or transit use as a  
7     result of the program.
- 8     (6) Increased partnerships and outreach with community-based  
9     organizations.

O